

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PURCHASED GAS ADJUST-)
MENT FILING OF DELTA NATURAL) CASE NO. 8528-E
GAS COMPANY, INC.)

O R D E R

On December 14, 1982, the Commission issued its Order in Case No. 8528 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On April 8, 1983, Delta Natural Gas Company, Inc., ("Delta") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Delta's notice of April 8, 1983, set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on two wholesale decreases in price from its supplier in the combined amount of \$244,125 or 25 cents per Mcf.

(2) Delta's wholesale cost of gas was decreased by Transmission effective March 1, 1983. Delta did not file an application for permission to track this decrease thus resulting in an overcollection from its customers. Delta should report to the Commission the amount overcollected from its customers during the period from March 1, 1983, to the date the proposed rates are implemented, along with a plan to refund the same amount to its customers.

(3) Transmission has filed an application for an additional wholesale decrease to become effective April 1, 1983, with the Federal Energy Regulatory Commission. Due to the retroactive nature of this decrease, Delta should report to the Commission any excess revenues collected during the period from April 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) Delta's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8528 dated December 14, 1982, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after April 1, 1983.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after April 1, 1983.

IT IS FURTHER ORDERED that within 60 days of the date of this Order Delta shall report to the Commission any excess revenues collected during the period from March 1, 1983, to the

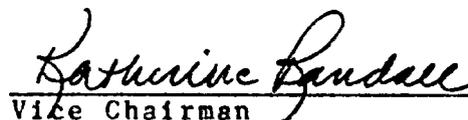
date the proposed rates are implemented, along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 27th day of April, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

**APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8528-E DATED April 27, 1983.**

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULE G - GENERAL SERVICE

APPLICABILITY:

Applicable within all service areas served by Delta, namely: Owingsville, Sharpsburg, Bath County, Camargo, Montgomery County, Frenchburg, Menifee County, Kingston-Terrill, Madison County, Stanton, Clay City, Powell County, Garrard County, Berea, Salt Lick, Midland, Nicholasville, Wilmore, Jessamine County, Jeffersonville, Clearfield, Farmers, Rowan, Middlesboro, Pineville, Bell County, Barbourville, Knox County, Williamsburg, Whitley County, London, Laurel County, and environs of each.

AVAILABILITY:

Available for general use by residential, commercial and industrial customers.

CHARACTER OF SERVICE:

Firm--with the reasonable limits of the company's capability to provide such service.

RATES:

General Service--

Monthly Customer Charge - \$2.90 per delivery point per month.

1 - 5,000 Mcf	\$5.7824 per Mcf
5,001 - 10,000 Mcf	5.5324 per Mcf
Over - 10,000 Mcf	5.2824 per Mcf

Interruptible--

1 - 5,000 Mcf	5.5324 per Mcf
5,001 - 10,000 Mcf	5.2824 per Mcf
Over - 10,000 mcf	5.0324 per Mcf

PURCHASED GAS ADJUSTMENT

Delta Natural Gas Company

Applicable to all rate schedules.

The base rate for purchased gas for the future application of this Purchased Gas Adjustment Clause is:

<u>Supplier</u>	<u>Rate/Mcf or DTH</u>
Columbia Gas Transmission Corporation	
Rate Schedule CDS	
Demand (DTH)	\$ 4.91
Commodity (DTH)	4.2997
Rate Schedule SGS (DTH)	4.6225
Columbia LNG Corporation	6.0801*
*Includes Transportation Charge of	\$ 0.4701
Tennessee Gas Pipeline Company	\$3.4199
Gas Rate (DTH)	0.8365
Graham-Michaelis Corporation	\$2.25
Global Petroleum, Inc.	2.55
Flat Lick	0.35
Evans	0.96
Wisehoff	1.41
Hall-Martin	0.40
Goff	0.40
Weaver	1.88
Martin Energy Company	1.75
Laurel Valley	3.4939
Wiser Oil Company	3.5909
Al J Keyser	2.6125
L P Energy	2.00
Storage	1.001
CM Operating Company	2.00
Welch Bros.	3.00